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Via Email and US Mail

November 23, 2010

S.J. Ferguson
Captain, U.S. Coast Guard
Federal On-Scene Coordinator
1519 Alaskan Way South, Building 4
Seattle, WA 98134-1192

RE: Completion of Work under Administrative Order for Pollution Incident, Bremerton, Washington

Dear Captain Ferguson:

Thank you for your letter of November 16, 2010, confirming Cascade Natural Gas Corporation ("Cascade") has satisfied the requirements of the Administrative Order for a Pollution Incident ("AO") issued by the U.S. Coast Guard ("USCG") under Section 106 of the Comprehensive Environmental Response, Compensation, and Liability Act. The AO is dated October 20, 2010, and was served on Cascade on October 27, 2010. Cascade responded to the AO by letter dated October 29, 2010.

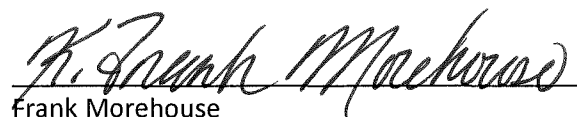
As directed by the USCG and required under the AO, Cascade performed the time critical removal action (the "Removal Action") described in the Anchor QEA Work Plan for the Former Bremerton MGP Site dated November 4, 2010 ("Work Plan"). The Work Plan was approved by the USCG and the Unified Command on November 5, 2010. Cascade's completion of the physical work described in the Work Plan has stabilized the site, and, as reflected in your letter of November 16, this work fully satisfies the requirements of the AO.¹ Cascade will prepare the closure report and conduct the post-completion inspections described in the Work Plan. As noted in our letter of October 29, Cascade understands the entirety of the Removal Action outlined in the Work Plan is necessary and consistent with the National Contingency Plan.

¹ We assume your statement the AO is "rescinded" means the activities required under the AO have been completed in compliance with the AO, which makes the AO of no continuing force or effect.

Cascade greatly appreciates your leadership in reviewing and approving the Work Plan and coordinating agency consultations for the Removal Action. The USCG deserves credit for successful completion of the Removal Action.

Sincerely,

CASCADE NATURAL GAS CORPORATION

A handwritten signature in dark ink, appearing to read "Frank Morehouse", is written over a horizontal line.

Frank Morehouse

Executive Vice President and General Manager

cc: Danielle Wood, USCG
Kathy Parker, EPA
Elizabeth McKenna, EPA
Brad Martin, Ecology
Grant Holdcroft, Kitsap County Public Health
Abbie Krebsbach, Cascade
Kalle Kuether Godel, Cascade
Dan Kuntz, Cascade
Howard Jensen, Tupper Mack Brower Jensen Wells
Andy Salter, Salter Joyce Ziker